



Act 9
2019 – 2021 Biennium

July 3, 2019

DEPARTMENT OF CHILDREN AND FAMILIES
2019-21 Biennial Budget
2019 Act 9

- In total, Act 9 provides \$50,310,300 [\$4,092,000 GPR, \$36,223,100 FED, \$2,121,400 PR, and \$7,873,800 PR-S] and 2.00 FTE [1.00 GPR, -4.20 FED, and 5.20 PR-S] in SFY 20 and \$90,177,800 [\$21,036,000 GPR, \$59,478,900 FED, \$2,031,300 PR, and \$7,631,600 PR-S] and 2.00 FTE [1.00 GPR, -4.20 FED, and 5.20 PR-S] in SFY 21.
- Represents a 2.70% GPR increase in the biennium over the base year doubled and an overall biennial all funds increase of 5.37% over the base year doubled.

Statewide Initiatives

Wage Adjustments

- Provides general wage adjustment of 2% on January 1, 2020, and another 2% increase on January 1, 2021.

Human Resources Shared Services

- Reduces funding for Shared Services by \$2.8 million PR and 41.34 PR positions annually from DOA's Division of Personnel Management general program operations appropriation.

Department-Wide

Standard Budget Adjustments

- Adjustment to the base budget by a total of \$1,341,700 [-\$52,400 GPR, \$1,337,400 FED, \$22,300 PR and \$34,400 PR-S] in SFY 20 and \$1,460,900 [-\$2,200 GPR, \$1,368,500 FED, \$26,100 PR and \$68,500 PR-S] in SFY 21 to fund standard budget adjustments, including full funding of salary and fringe, turnover, overtime, night and weekend differential, and full funding of lease costs.

Program Revenue Re-estimates

- Increase of \$6,324,100 [\$898,400 FED, \$60,000 PR and \$5,365,700 PR-S] in SFY 20 and an increase of \$4,857,100 [-\$98,300 FED, \$60,000 PR and \$4,895,400 PR-S] in SFY 21 to reflect estimates of federal and program revenue funding levels.
- Largest changes relate to increases in interagency and intra-agency services, federal Title IV-E, and federal Title IV-B Part 2.

Realignment

- Increases of \$687,000 PR-S and 5.20 FTE PR-S, and decreases of -\$5,600 GPR and -\$529,500 FED and -5.20 FTE FED in SFY 20 and SFY 21 for the realignment of funding and positions within base funding to more accurately reflect the needs and organizational structure of the Department.
- This item results in no change in total FTE. The increase of 5.20 FTE PR-S is offset by -5.20 FTE FED, including 2.0 FTE FED TANF.

Child Welfare

Children and Families Allocation

- Fully funds the increases provided in the last biennial budget.
- Increases Children and Family Aids (CFA) in CY 20 by \$24,125,000 (\$18,875,000 GPR and \$5,250,000 FED) and \$25,500,000 (\$18,500,000 GPR and \$7,000,000 FED) in CY 21.
- In addition to these increases, the CFA also includes an increase of \$332,100 (\$250,100 GPR and \$82,000 FED) in SFY 20 and \$664,200 (\$500,000 GPR and \$164,200 FED) in SFY21 for the foster care rate increase, and an increase of \$186,600 (\$108,100 GPR and \$78,500 FED) annually for foster care payments for children living with parents in treatment programs.
- Children and Family Aids funding totals \$80,125,200 in SFY 20 and \$101,145,500 in SFY 21.

Foster Care Rate Increase

- Provides a foster care rate increase of 4% in CY 2020 an increase of \$519,600 (\$391,200 GPR and \$128,400 FED) in SFY 20 and \$1,039,200 (\$782,300 GPR and \$256,900 FED) in SFY 21. These funds will be provided under the CFA, the State Foster Care and Adoption Assistance programs, and in DMCPS.

Foster Care Payments for Children Living with Parents in Treatment Programs

- Provide \$292,000 (\$169,200 GPR, \$122,800 FED) in each year for foster care maintenance payments for a child living with parents in a substance abuse treatment facility as allowed under the federal Family First Prevention Services Act (FFPSA). These funds will be provided under the CFA, the State Foster Care and Adoption Assistance programs, and in DMCPS.

Kinship Care Reestimate and Rate Increase

- Provides a Kinship Care rate increase of 4% in CY 2020. Along with anticipated caseload growth in the program, this results in an increase of \$3,898,800 in Temporary Assistance for Needy Families (TANF) block grant funding in SFY 20 and \$5,418,000 in TANF funding in SFY 21.
- Kinship Care funding totals \$26,640,000 in SFY 20 and \$28,159,200 in SFY 21.

Tribal Family Services Program

- Increase Tribal Family Services Program funding by \$446,700 in SFY20 and \$595,600 in SFY 21 using Tribal Gaming funds. Replaces base GPR funding of \$1,271,900 with Tribal Gaming funds.
- Tribal Family Services Program funding would total \$2,473,700 (\$1,718,600 PR and \$755,100 FED) in SFY 20 and \$2,622,600 (\$1,867,500 PR and \$755,100 FED) in SFY 21. Federal funding consists of Promoting Safe and Stable Families (IV-B, part 2) and the Community Services Block Grant.

Home Visiting

- Increase funding for home visiting by \$500,000 FED TANF in SFY 20 and \$2,500,000 (\$1,500,000 FED TANF and \$1,000,000 GPR) in SFY 21 to reduce the incidence of child abuse and neglect through the Family Foundations Home Visiting program.

- Currently, \$4,712,100 TANF and \$985,700 GPR are provided annually to support the Family Foundations Home Visiting program.
- Home Visiting funding would total \$15,274,700 in SFY 20 (\$985,700 GPR and \$14,289,000 FED TANF and MIECHV) and \$17,274,700 in SFY 21 (\$1,985,700 GPR and \$15,289,000 FED TANF and MIECHV).

In Home Safety Services

- Increase TANF funding by \$1,000,000 in SFY 20 and by \$2,000,000 in SFY 21 in order to expand in-home safety services (IHSS) to families involved with child welfare on a statewide basis. The total available in each year is \$8,314,300 in SFY 20 and \$9,314,300 in SFY 21, which includes both Milwaukee County and balance of state counties.

State Foster Care & Adoption Assistance

- Maintains current Adoption Assistance base funding of \$91,081,000 (\$46,340,000 GPR and 44,741,000 FED) in SFY 20 and provides an increase to \$93,358,000 (\$47,502,300 GPR and \$45,855,700 FED) in SFY 21 based on recent caseload and expenditure data. Note that the base state and federal funding levels were adjusted to reflect current federal claiming percentages.
- Total State Foster Care funding is \$4,843,000 (\$3,214,300 GPR and \$1,628,700 FED) annually based on recent caseload and expenditure data, for payments for children living with parents in treatment programs (\$20,200 annually), and for the foster care rate increase (\$36,000 in SFY 20 and \$71,900 in SFY 21).
- Increases funding for Public Adoption service contracts by \$447,100 (\$235,300 GPR and 211,800 FED) in each year.
- Subsidized Guardianship has moved to the Division of Milwaukee Child Protective Services (DMCPS) appropriations, which results in a reduction of -\$3,935,500. This reduction will not affect the State Foster Care or Adoption Assistance programs and will show as an increase in DMCPS for Subsidized Guardianship.

Background Checks in Child Welfare Centers

- Provide \$435,300 (\$280,900 GPR and \$154,400 FED) in SFY 20 and \$217,700 (\$140,500 GPR and \$77,200 FED) in SFY21 to comply with the new FFPSA fingerprint background check requirement

Comprehensive Child Welfare Information System

- Increase funding by \$335,800 (\$167,900 GPR and \$167,900 FED) in SFY 20 and \$503,600 (\$251,800 GPR and \$251,800 FED) in SFY 21 to modify the state's existing child welfare information system to comply with new federal Comprehensive Child Welfare Information System requirements by adding required automated data exchanges.

Runaway and Homeless Youth Shelters

- Provide an additional \$250,000 GPR annually for grants to support programs that provide services for homeless and runaway youth.
- Fold existing grants to runaway programs under the Grants for Children's Community Programs into the Grants for Services for Homeless and Runaway Youth. Total funding for grants for services for homeless and runaway youth is \$400,000 in each fiscal year.

Juvenile Justice

- Maintains current base funding for youth aids at \$90.8 million (\$88.6 million GPR).
- No change to funding formula. However, DCF must consult with county representatives on modifications to the community youth and family aids formula under s. 48.526.
- Provides \$274,100 GPR in SFY 20, \$299,900 GPR in SFY 21, and 1.0 FTE beginning in SFY 20 to provide assessments, training, performance monitoring, data collection and analysis to set standards of practice for the youth justice system.

Milwaukee Child Protective Services

- Increase funding by \$5,901,800 (\$2,728,300 GPR, \$1,207,200 FED, and \$1,966,300 PR) in SFY 20 and \$6,130,800 (\$3,388,800 GPR, \$865,800 FED, and \$1,876,200 PR) in SFY 21 to reflect a re-estimate of the Division of Milwaukee Child Protective Services (DMCPS) aids expenditures due to projected changes in caseload, service expenditures, federal claiming rates, and the transfer of subsidized guardianship payments from DSP appropriations to DMCPS.
- Funding supports increases to the on-going services contracts, the independent investigations contract, trust fund accounts contract, and Milwaukee County contracts with the District Attorney, Clerk of Courts, and the Behavioral Health Division.

Child Care

- Provides \$28.8 million in SFY 20 and \$29.1 million in SFY21 for increases to Wisconsin Shares Rates.
 - Increase rates to within 15% of the 75th percentile (\$11.6 million in SFY 20 and \$11.9 million in SFY 21).
 - Fully funds raising rates 5% for children up to age 4 (\$7.7 million each year).
 - Fully funds raising infants rate to a minimum of \$5 per hour (\$0.5 million each year).
 - Fully funds an across-the-board rate increase implemented January 1, 2019 (\$8.0 million each year).
 - Bring rates for certified providers to no more than 90% of the maximum reimbursement rate for licensed providers (\$1.0 million each year).
- Provides \$655,000 in SFY 20 and \$749,000 in SFY 21 for costs to support access to high-quality child care for families that reside in a geographic area with high-poverty levels, as identified by DCF, in the City of Milwaukee.
 - Grants may be used for start-up costs, ongoing operational costs, including subsidy payments for eligible families, and quality improvement activities.
 - Quality improvement grants may be made to child care providers and their employees, as well as to educational institutions to educate child care provider employees.
 - Grants require a 25% match of money or in-kind goods and services.
- Provides an additional \$3.5 million in SFY 20 and \$8.5 million in SFY 21 for the fiscal cliff, which mitigates the costs of child care by providing a sliding copayment scale up to 85% SMI.
- Provides \$8.0 million in SFY 20 and \$8.3 million in SFY 21 for costs related to not counting child SSI income in Wisconsin Shares eligibility determinations.

- Provides \$2.2 million in SFY 20 and SFY 21 to fully fund the reduction in the YoungStar penalty for parents who choose 2 Star providers to -1%.
- Provides \$1.9 million in each year to fund YoungStar bonus payments to reflect percentages at 15% and 30% for 4 and 5-Star providers, respectively.
- Reestimates funding to comply with new federal requirements under the Child Care and Development Block Grant Reauthorization based on data after implementation (-\$1.5 million each year).
- Reestimates the base funding level, but assumes 1.0% increase in Shares program utilization in SFY 20 and another 1.0% increase in SFY 21, along with some migration of children to higher quality providers.
- Provides \$415,000 in SFY 20 and \$535,000 in SFY 21 to expand funding for the Pyramid Model, which is a tiered intervention framework/strategy that enhances social and emotional competence in infants, toddlers, and young children, such as the ability to play well with others, to listen and follow directions, to identify and express emotions, and to problem solve.
- Provides \$1.3 million annually and 1.0 FTE paralegal to support the increased workload of performing background checks on child care providers and their employees centrally.
- Provides an additional \$1.4 million annually to pay the Department of Health Services for performing eligibility determinations for the Wisconsin Shares program.

Read to Lead

- Reduce funding by \$23,600 GPR annually to eliminate the Read to Lead Program

W-2 and TANF-Related Programs

Wisconsin Works and Related Programs

- W-2 benefits – Decreases W-2 benefits by \$13,515,000 in SFY 20 and by \$12,892,800 in SFY 21 to reflect declining W-2 caseloads and decreased benefit spending. Funding for W-2 Benefits total \$31,110,000 in SFY 20 and \$31,732,200 in SFY 21.
- W-2 agency contracts -- Decreases funding for W-2 services and administration contracts by \$4,600,000 in each year of the biennium to reflect declining caseloads to more closely reflect actual expenditures. W-2 contracts would total \$50.0 million annually.
- Transform Milwaukee Jobs and Transitional Jobs -- Provides an additional \$500,000 in SFY 20 and \$1,500,000 in SFY 21. In addition, modify the participant eligibility criteria that a participant must be a biological or adoptive parent of a child under 18 years of age whose parental rights to the child have not been terminated or be a relative and primary caregiver of a child under 18 years of age, if the participant is over 25 years of age. Under current law, this requirement applies if the participant is over 24 years of age. The additional \$500,000 annually is intended to fund additional childless adults within federal guidelines.
- Emergency Assistance – Re-estimate program costs to decrease funding by \$1 million to \$6,000,000 in each year of the biennium.

Other TANF-Related Programs

- SSI Caretaker Supplement – Re-estimate program costs to decrease funding by \$1,924,700 TANF in each year for projected expenditures in the SSI Caretaker Supplement program administered by the Department of Health Services.

- Provide an additional \$1,400,000 annually for the Boys and Girls Clubs and repeal the provisions directing funding to the Green Bay and Milwaukee, Oshkosh, and Appleton Clubs to instead direct that, of the total amount budgeted, up to \$1,400,000 annually would be earmarked for the Be Great: Graduate program in the amount of matching funds the program provides. A total of \$2,675,000 annually would be provided.
- Provide an additional \$500,000 TANF annually for Homeless Shelter Grants, administered by the Department of Administration. However, these funds were placed in the Joint Committee on Finance's supplemental appropriation for potential use.
- Provide an additional \$60,000 annually to support GED testing for individuals who are eligible for TANF assistance. Total funding for GED testing would be \$175,000 annually.
- Provide new TANF funding or increase TANF funding for the following child welfare programs described in detail under the Child Welfare section:
 - Kinship Care
 - In Home Safety Services
 - Home Visiting

Skills Enhancement Grants

- Provide an additional \$250,000 GPR annually for skills enhancement grants, in accordance with recommendations from the Interagency Council on Homelessness. However, these funds were placed in the Joint Committee on Finance's supplemental appropriation for potential use.

Child Support

- Provide an additional \$750,000 (\$255,000 GPR) in SFY 20 and \$1,500,000 (\$510,000 GPR) in SFY 21 for the state-county child support contract. Maintains current GPR funding of \$300,000 in each year for identifying children with health insurance.
- Increase Children First per-participant payment from \$400 to \$800 with no additional funding provided.
- Amend statutory language in accordance with a recent federal law change to increase the annual child support enforcement fee charged to custodial parents from \$25 if at least \$500 in support is collected to \$35 if at least \$550 in support is collected, with an effective date of October 1, 2019.

OTHER AGENCIES

Department of Health Services (DHS)

Lead Exposure and Lead Poisoning Prevention

- Provide \$2,000,000 GPR and \$12,214,600 FED in SFY 20 to fund lead abatement to residential properties occupied by children and pregnant women eligible for Medical Assistance or the federal Children's Health Insurance Program.

Expand Access to Birth to 3 Program

- Provide an additional \$2,250,000 on a one-time bases in SFY 20. Funding would be transferred from the children's community options program.

Mendota Juvenile Treatment Center Expansion

- Provides \$2,645,000 in SFY 21 and 42.50 FTE positions to expand the Mendota Juvenile Treatment Center and only the director of the Mendota Mental Health Institute, or his or her designee, be authorized to make decisions regarding admission, treatment, and release of juveniles.

Youth Crisis Stabilization Facility

- Provides \$996,400 in program revenue in SFY 20 and SFY 21 to fund a youth crisis stabilization facility.